

**Minutes  
Board of Directors of the Virginia Economic Development Partnership Authority  
September 29, 2022  
9:00 a.m.**

**901 East Cary Street  
One James Center, Katherine Johnson Room  
Richmond, VA 23219**

**Welcome and Call to Order**

The meeting was called to order at 9:05 a.m. by Acting Chair Caren Merrick, who noted that a quorum was present.

Board Members present: Carrie Chenery, Mimi Coles, Secretary Stephen Cummings, Rick Harrell, John Hewa, April Kees, Pace Lochte, Secretary Caren Merrick, Nick Rush, and Will Sessoms

Board Members absent: Nancy Agee, Dan Clemente, Stephen Edwards, Bill Hayter, Anne Oman, Marianne Radcliff, and Steven Stone

VEDP in person Staff Members: Vince Barnett, Nicole David, Jason El Koubi, Stephanie Florie, Jennifer Garrett, Katherine Goodwin, Stephen Hartka, Lori Melancon, and Lisa Wallmeyer

VEDP Virtual Staff Members: Christy Morton and Carrie Vuori

Guests: Cody Anderson, Joe Hines, Kim McKay, Jason Powell, David Ress, Randy Sherrod, and Wyatt Toehlke

**Welcome and Announcements**

Acting Chair Merrick welcomed guests to the meeting and noted that a quorum of members was present.

**Public Comment Period**

Acting Chair Merrick solicited public comments. There were none.

## **Approval of Minutes**

Acting Chair Merrick asked for approval of the minutes from the June 23, 2022 meeting. A motion was made by Ms. Kees and Mr. Harrell and the minutes were unanimously approved as presented.

## **Vice Chair's Report**

Acting Chair Merrick spoke about plans for appointing members to the Nominating Committee to discuss selection of VEDP's next Board Chair.

Acting Chair Merrick welcomed the newly appointed Board members in attendance. The new members introduced themselves to the group.

Acting Chair Merrick spoke about the various initiatives she and the Administration are partnering with VEDP on, in addition to ushering economic development projects over the finish line and filling the prospect pipeline.

Acting Chair Merrick spoke about Governor Youngkin's calls to CEOs who are looking to relocate to Virginia and how essential this personal and proactive approach is to the process.

Acting Chair Merrick expressed her desire to seek input from the Board as these initiatives progress.

## **President's Report**

Mr. El Koubi began his report by reviewing VEDP's FY23 Business Investment goals, noting that they represent the largest capital investment and job creation goals that VEDP has ever set. He shared progress toward these goals.

Mr. El Koubi noted that it can be a rather lumpy progress where a few large projects can make up a large portion of the totals for the year. Mr. El Koubi explained that data centers tend to have a very disproportionate impact on the capital investment number. He said that though VEDP is a little behind on its capital investment and job creation goals, large projects can change this picture.

Mr. El Koubi spoke about the project pipeline, which includes several mega projects.

Mr. El Koubi noted a slow start in lead generation activity due to this team not being fully staffed until recently. He said that activity will accelerate now that the full team is in place.

Mr. El Koubi shared that International Trade is tracking toward its goals for FY23. He added that preliminary results from a survey of clients who participated in International Trade's FY22

activities are very positive. He said that the Board will receive an update on these results at the December meeting.

Mr. El Koubi reviewed VEDP's FY2023 Major Initiatives, stating that all are currently on track. Mr. El Koubi explained, for the benefit of the Board's new members, that the Operational Plan is essentially an annual business plan. He said this document represents VEDP's big goals for the year but does not include everything VEDP is doing.

Mr. El Koubi shared notable developments since the last Board meeting. He highlighted recent project wins; Virginia's strong presence at recent site selection consultant cultivation events; the launch of VEDP's new Regional Talent Solutions and Business Outreach team; strong response to the Virginia Business Ready Sites Program funding opportunity; kick off of a site-related task force; the Q2 2022 issue of *Virginia Economic Review*; The Talent Connection; meetings of regional and local economic development partners at the VEDA Fall Conference; and recent market-facing new hires.

Mr. El Koubi spoke about his top priorities for the next few months. He highlighted project opportunities; using the resources the General Assembly (GA) has provided very effectively in executing newly funded activities; providing solid deliverables for GA-mandated studies; developing high-impact legislative and budget priorities for the 2023 GA session; delivering strong support to Secretary Merrick and team in developing the Governor's Comprehensive Economic Development Policy; securing strong hires for open leadership positions; and finalizing VEDP's FY22 Annual Report.

Acting Chair Merrick thanked Mr. El Koubi for his report.

### **Review of Virginia Economic Performance**

Mr. El Koubi introduced the topic and offered a big picture summary of why VEDP has conducted this analysis. He explained that the Board expressed great interest in receiving an updated version of the data and discussing it at each Board meeting. He said that the complete updated information, called the Economic Data Book, for today's meeting was provided to the Board electronically, to review at their own pace.

Mr. El Koubi introduced Mr. Hartka to share a few of the most important insights that VEDP has gleaned from the updated information.

Mr. Hartka shared an Executive Summary of the information. He highlighted details of Virginia regional employment pre-pandemic to present day, including how it breaks down by supersector. The Board discussed the industries where employment has fully recovered and those that are still lagging.

Mr. Hartka said that even with the very strong growth Virginia has seen in 2022, the Commonwealth still ranks below almost all benchmark states in terms of percent of recovered jobs.

Mr. Hartka spoke about the establishment survey and the household survey and how VEDP uses this data.

Mr. Hartka concluded his remarks by expressing concern about the deceleration some data is showing, as Virginia wants to maintain its strong growth. He said that hopefully this is just a small dip, which is what the establishment survey shows. He noted that at the national level, the labor market has not shown signs of slowing down.

The Board engaged in a robust discussion on many points from the report and on the economy in general.

Acting Chair Merrick thanked Mr. Hartka for his presentation.

#### **Proposed Update to Electronic Meeting Policy**

Ms. Wallmeyer reminded the Board that they previously adopted an electronic meeting policy. She explained that since that time, substantial changes to the Freedom of Information Act (FOIA) require the Board to adopt a new policy.

Ms. Wallmeyer reviewed the proposed changes to the policy. She explained that the changes would also apply to each of the Board's committees.

A motion was made by Mr. Hewa to accept the updated electronic meeting policy. The motion was seconded by Mr. Harrell and unanimously approved as presented.

#### **Finance and Audit Committee Report**

Mr. Harrell provided an update on the topics that were discussed during the Finance and Audit Committee (FAC) meeting on September 28, 2022.

Mr. Harrell reviewed the following consent agenda items, which were brought to the Board for a vote.

- VEDP FY22 Quarterly Financial Results (thru 06/30/2022)
- Semiannual Report on Incentives FY22
- COF Progress Report for FY22
- Internal Audit Risk Assessment and Audit Plan

- Proposed Updates to Incentives-Related Policies and Procedures
- Extension Requests (total of 3)
  - **McAirlaid's – Franklin County** has requested a first extension of 15 months to provide more time for the company to reach its employment target.
  - **Compass Datacenters IAD I, LLC – Loudoun County** has requested a first extension of 18 months to provide more time for the company to reach its employment target.
  - **Pointone Holdings, Inc. – Fauquier County** has requested a first extension of 18 months to provide more time for the company to reach its capital investment and job targets.

Mr. Harrell stated that the Committee recommends approval of all three extension requests.

- Clawback Update which showed no new items have been referred to the Office of the Attorney General. One clawback is past due for Koinonia in Pulaski County.

Ms. Kees made a motion to approve the consent agenda. Ms. Coles seconded the motion, and the motion was unanimously approved.

### **Rural Virginia Action Committee Report**

Rural Virginia Action Committee Chair Rick Harrell gave an update on the topics that were discussed during the Committee meeting on September 28, 2022.

Mr. Harrell explained that the Committee received a presentation from Renee Haltom, Vice President and Regional Executive with the Federal Reserve Bank of Richmond.

Mr. Harrell provided key takeaways from the presentation including the Fed's definition of "rural;" the top reasons rural areas are likely to have shrinking employment; why some rural areas are doing better than others; and the major impediments, such as childcare deserts.

Mr. Harrell highlighted the ideas Ms. Haltom shared for how rural communities can thrive, including increasing regional collaboration; utilizing community assets; telling their positive story; taking a long-term view; and building on small wins.

Acting Chair Merrick thanked Mr. Harrell for his reports.

### **Update on GA-related studies and reports**

Ms. Morton provided information on General Assembly (GA) required studies and reports where VEDP is the primary owner or partnering with others on the work.

Ms. Morton explained that there are a total of 16 studies. She added that many of the studies have 2022 deadlines. Ms. Morton said VEDP has been given funding to engage experts and consultants to assist on some of the studies. She thanked GA partners for this funding.

Ms. Morton reviewed each of the studies, highlighting those where VEDP is the primary owner.

Ms. Morton explained that the Virginia Office of Education Economics (VOEE) at VEDP, specifically, is participating in many of the studies.

The Board engaged in a discussion on how the outcome of these studies will be applied, specifically around workforce development. The Board also expressed its expectation that information gleaned from these studies will be useful and actionable.

### **Closed Meeting**

**Guest Site Consultant Presentation; Quarterly Marketing/Lead Generation Effectiveness Report; Business Investment Strategy; Site Development Update; Budget and Legislative Proposals; Team Virginia Update**

A motion was made by Ms. Coles and seconded by Mr. Rush to move into a closed meeting. The motion shown below was unanimously approved by the members.

I MOVE THAT THE BOARD OF DIRECTORS OF THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY CONVENE A CLOSED MEETING PURSUANT TO VIRGINIA CODE §2.2-3711(A)(50) TO ENGAGE IN A DISCUSSION OR CONSIDERATION OF THOSE PORTIONS OF VEDP'S STRATEGIC PLAN, MARKETING PLAN OR OPERATIONAL PLAN, THAT MAY RELATE TO TARGET COMPANIES, SPECIFIC ALLOCATION OF RESOURCES AND STAFF FOR MARKETING ACTIVITIES, AND SPECIFIC MARKETING ACTIVITIES THAT WOULD REVEAL TO THE COMMONWEALTH'S COMPETITORS FOR ECONOMIC DEVELOPMENT PROJECTS THE STRATEGIES INTENDED TO BE DEPLOYED BY THE COMMONWEALTH, THEREBY ADVERSELY AFFECTING THE FINANCIAL INTEREST OF THE COMMONWEALTH.

Mr. El Koubi asked that VEDP staff be allowed to stay for the closed meeting for all matters and Acting Chair Merrick agreed.

**Back in Open Meeting, Certification of Closed Meeting – Followed by a Roll Call vote:**

WHEREAS, THE BOARD OF DIRECTORS OF THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY HAS CONVENED A CLOSED MEETING ON THIS DATE PURSUANT TO AN AFFIRMATIVE RECORDED VOTE AND IN ACCORDANCE WITH THE PROVISIONS OF THE VIRGINIA FREEDOM OF INFORMATION ACT; AND WHEREAS, THE ACT REQUIRES A CERTIFICATION BY THIS BOARD THAT SUCH CLOSED MEETING WAS CONDUCTED IN CONFORMITY WITH THE ACT; NOW, THEREFORE, BE IT RESOLVED, THAT THE BOARD CERTIFIES THAT, TO THE BEST OF EACH MEMBER'S KNOWLEDGE, (I) ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS UNDER THE ACT WERE DISCUSSED IN THE CLOSED MEETING TO WHICH THIS CERTIFICATION RESOLUTION APPLIES, AND (II) ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION BY WHICH THE CLOSED MEETING WAS CONVENED WERE HEARD, DISCUSSED, OR CONSIDERED IN THE CLOSED MEETING BY THE BOARD.

Upon the vote:	Acting Chair Merrick	Aye
	Ms. Chenery	Aye
	Ms. Coles	Aye
	Secretary Cummings	Aye
	Mr. Harrell	Aye
	Mr. Hewa	Aye
	Ms. Kees	Absent for the vote
	Ms. Lochte	Aye
	Mr. Rush	Aye
	Mr. Sessoms	Absent for the vote

Following the closed meeting, the Board discussed the possibility of offering a presentation on sites to the money committee. The Board also discussed the idea of scheduling a site selection consultant presentation for Virginia's Major Employment and Investment Project Approval Commission (MEI).

Mr. Hewa shared that he serves on the Fredericksburg Regional Alliance Board of Directors, for the Board's awareness.

**Anticipated topics for the December 2022 Board meeting**

Acting Chair Merrick shared anticipated topics for the next Board meeting.

**Adjournment**

There being no further business, Acting Chair Merrick adjourned the meeting at 1:10 p.m.

Respectfully submitted,

Jason El Koubi  
Secretary

DRAFT